

MEMORANDUM FOR: Chief, Personnel and Training Staff, OL
Chief, Procurement Management Staff, OL
Chief, Security Staff, OL
Chief, Logistics Services Division, OL ✓
Chief, Printing Services Division, OL ✓
Chief, Procurement Division, OL ✓
Chief, Real Estate and Construction Division, OL ✓
Chief, Supply Division, OL ✓

SUBJECT : Material for Presentation At the Winter Conference
of Deputy Directors

REFERENCE : Multiple Adse Memo dtd 4 Nov 74 fr DD/A, subject:
Reduction of Daily Operating Costs

1. The Deputy Director for Administration (DD/A) has requested that we provide him with information which he wishes to present at the winter DCI conference with Deputy Directors. Each of you has already been involved in, or at least been aware of, our efforts in the areas of cost reductions, anti-inflation measures, and the development of costs of services which we perform for other components. These are three of the topics which the DD/A will address at the conference.

2. Costing information has been received from some of you as a result of your reporting on that management objective, and we shall have further and separate discussions regarding those costing systems. Others have contributed data, on an ad hoc basis, in connection with our cost reduction and anti-inflation programs. The referent memorandum suggests some of the ways that costs can be reduced. There are probably additional things being done, planned, or suggested by your branches and sections which have not been reported formally but which are directed toward the reduction of operating costs and the conservation of inflated and scarce commodities. For that reason, and to facilitate the collection of information for the DD/A, you are requested to prepare, in the following format, an up-to-date summary of your successes or failures in implementing not only those suggested methods but any which you have developed yourselves.

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Anti-inflation Measures

Paper conservation
(reuse of file folders,
envelopes, etc.).

Cost Reduction Measures

Non-replacement of certain
stock items for which there
are similar styles and/or a
wide selection of colors.

Reduction in distribution
of copies of correspondence.

Problems and/or Suggested
Improvements

Not observed or accepted
Agency-wide. Needs discipline
from top management on down.

Customer resistance ^{to} ~~of~~ sub-
stitutions. Hold the line
and enforce discipline.

Carefully select distribution
to those with a known interest
or need to know.

The sample measures and remarks above are illustrative only. You are encouraged to list and comment on all of the measures you are taking in the areas of cost reduction and conservation--even those which you might not consider to be of great significance. In addition, and where it is possible to do so, quantify the savings realized through your implementation of the suggested savings measures listed in paragraph 3 of the referent memorandum.

3. Your summaries should be submitted to the Plans and Programs Staff, OL, by close of business on 13 December 1974.

/s/ Michael J. Malanick

Michael J. Malanick
Director of Logistics

cc: EO/OL

DIA
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